

## **EXHIBIT B**

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

ADELPHIA RECOVERY TRUST,	:	No. 05 Civ. 9050 (LMM)
	:	
Plaintiff,	:	
	:	
- against -	:	
	:	
BANK OF AMERICA, N.A., <i>et al.</i> ,	:	
	:	
Defendants.	:	

-----X-----

**SETTLEMENT AGREEMENT AND RELEASE**

This Settlement Agreement and Release (the “Agreement”) is entered into as of December 15, 2010, between the Adelphia Recovery Trust, formerly known as the Adelphia Contingent Value Vehicle, a Delaware statutory trust (the “Trust”), and Abbey National Treasury Services PLC, Addison CDO, Ltd., AG Capital Funding Partners, L.P., AIG Retirement Services, Inc., AIG Retirement Services, Inc. (sued as SunAmerica, Inc.), AIM Floating Rate Fund, Alexandra Global Master Fund Ltd., Allstate Life Insurance Company, Alpha US Sub Fund II, LLC, Amaranth Fund, L.P., Ameriprise Certificate Company, Ameriprise Certificate Company (f/k/a American Express Certificate Company), AMMC CLO V, Limited, AMMC CLO VI, Limited, Anthem Southeast Inc. (as successor by merger to Trigon Healthcare, Inc.), Apex (IDM) CDO I, Ltd, Archimedes Funding II Ltd, Archimedes Funding III Ltd., Archimedes Funding IV (Cayman), Ltd., Ares Enhanced Credit Opportunities Fund Ltd., ARES III CLO Ltd., ARES IV CLO Ltd., Ares Leveraged Investment Fund II, LP, Ares Leveraged Investment Fund, L.P., ARES V CLO Ltd., Ares VI CLO Ltd., Athena CDO, Ltd., Augusta Trading LLC, Avalon Capitol Ltd. 3 (f/k/a Avalon Capital Ltd. 2), Avenue Special Situations Fund II, L.P., Battery Park High Yield

Long Short Fund, Ltd., Battery Park High Yield Opportunity Master Fund, Ltd., Bayerische Hypo und Vereinsbank, AG, New York Branch, Bayerische Landesbank (f/k/a Bayerische Landesbank Girozentrale), BBT Fund, L.P., Bear Stearns Credit Products Inc., Bear Stearns Investment Products Inc., Belhurst CLO Ltd. (f/k/a Avalon Capitol Ltd.), Black Diamond CLO 2000-1, Ltd., BlackRock Corporate High Yield Fund III, Inc. (f/k/a Corporate High Yield Fund III, Inc.), BlackRock Corporate High Yield Fund V, Inc. (f/k/a Corporate High Yield Fund V, Inc.), BlackRock Corporate High Yield Fund VI, Inc. (f/k/a Corporate High Yield Fund VI, Inc.), BlackRock Corporate High Yield Fund, Inc. (f/k/a Corporate High Yield Fund, Inc.), BlackRock Debt Strategies Fund (f/k/a Debt Strategies Fund II, Inc.), BlackRock Floating Rate Income Strategies Fund II, Inc., BlackRock Floating Rate Income Strategies Fund, Inc., BlackRock Floating Rate Income Strategies Fund, Inc. (f/k/a Floating Rate Income Strategies Fund, Inc.), BlackRock Global Floating Rate Income Trust, BlackRock Global Investment Series: Bank Loan Income Portfolio, BlackRock Limited Duration Income Trust, BlackRock Senior Floating Rate Fund, Inc. (f/k/a Merrill Lynch Senior Floating Rate Fund, Inc.), BlackRock Senior High Income Fund, Inc. (f/k/a Senior High Income Portfolio, Inc.), BlackRock Senior Income Series, BlackRock Senior Income Series III, BlackRock Senior Loan Trust, Blue Cross of California, Blue Square Funding Limited Series 3, Boston Income Portfolio, The Broad Foundation, California Public Employees Retirement System, Camulos Master Fund LP, Canpartners Investments IV LLC, Cap Fund, L.P., Captiva III Finance Ltd., Captiva IV Finance, Ltd., Carlyle High Yield Partners II, Ltd., Carlyle High Yield Partners III, Ltd., Carlyle High Yield Partners IV, Ltd., Carlyle High Yield Partners, L.P., Carlyle Loan Investment Ltd, Castlerigg Master Investments Ltd., Centurion CDO II, Ltd., Centurion CDO III, Limited, Charter View

Portfolio, Citi GoldenTree Ltd , Clydesdale CLO 2001 - 1 Ltd., Cohanick Credit Opportunities Master Fund, Ltd., Columbus Nova Capital Master Fund Ltd., Concordia MAC29 Ltd., Concordia Partners, LP (f/k/a Concordia Distressed Debt Fund, LP), Confluent 2 Limited, Confluent 3 Limited, Contrarian Funds, LLC, Costantinus Eaton Vance CDO V Ltd., Credit Industriel et Commercial, CSAM Funding I, CSAM Funding II, Cypress Point Trading LLC, DB Holdings (New York), Inc., DB Structured Products, Inc., DB Structured Products, Inc. (f/k/a Deutsche Bank Sharps Pixley, Inc.), D. E. Shaw Laminar Portfolios, L.L.C., Debt Strategies Fund III, Inc., Debt Strategies Fund, Inc., Debt Strategies, Inc., Delano Company, Deutsche Bank AG Cayman Islands, Deutsche Bank AG London, Dryden High Yield CDO 2001-I, Dryden Leveraged Loan CDO 2002-II, DZ Bank AG Deutsche Zentral-Genossenschafts Bank, DZ Bank AG Deutsche Zentral-Genossenschaftsbank (f/k/a DG Bank Deutsche Genossenschaftsbank AG), DZ Bank AG Deutsche Zentral-Genossenschaftsbank, Frankfurt Am Main (Successor-By-Merger To DG Bank Deutsche Genossenschaftsbank AG), Eagle Master Fund, Ltd., Eaton Vance CDO II, Ltd., Eaton Vance CDO III, Ltd., Eaton Vance CDO IV, Ltd., Eaton Vance Institutional Senior Loan Fund, Eaton Vance Senior Income Trust, ECO Master Fund Ltd, Elf Funding Trust I, Elf Funding Trust I (f/k/a Elf Funding Trust), Mr. Eli Broad, ELT Ltd., Emerald Orchard Limited, Endurance CLO I, Ltd., EOS Partners, LP, Erste Bank Der Oesterreichischen Sparkassen AG, Erste Bank, New York Branch, FC CBO IV Limited, Fernwood Associates LLC (f/k/a Fernwood Associates LP), Fidelity Advisor Series I -- Fidelity Advisor Balanced Fund, Fidelity Advisor Series I -- Fidelity Advisor Floating Rate High Yield, Fidelity Advisor Series I -- Fidelity Advisor High Income Fund (f/k/a Fidelity Advisor Series Fidelity Advisor High Income Fund), Fidelity Advisor Series I -- Fidelity

Floating Rate High Income Fund (f/k/a Fidelity Advisor Series II – Fidelity Floating Rate High Income Fund), Fidelity Advisor Series II - Strategic Income Fund, Fidelity Advisor Series II: Fidelity Advisor Strategic Income, Fidelity Central Investments Portfolios II, LLC: Floating Rate Central Fund, Fidelity Central Investments Portfolios II, LLC: High Income Central Fund, Fidelity Charles Street Trust - Fidelity Asset Manager 50%, Fidelity Charles Street Trust - Fidelity Asset Manager 70%, Fidelity Puritan Trust: Fidelity Puritan Fund, Fidelity Puritan Trust: Fidelity Balanced Fund, Fidelity Summer Street Trust - Fidelity High Income Fund, Fidelity Summer Street Trust: Fidelity Capital & Income Fund, First Dominion Funding I, First Dominion Funding II, First Dominion Funding III, First Trust/Four Corners Senior Floating Rate Income Fund (“FCM”), First Trust/Four Corners Senior Floating Rate Income Fund II (“FCT”), First Trust/Highland Capital Floating Rate Income Fund II, Foothill Group Inc., f/k/a Foothill Income Trust II, LP, Fortis Capital Corp., Fortis Capital Corp. (f/k/a Meespierson Capital Corp.), Franklin CLO I, Limited, Franklin CLO II, Limited, Franklin CLO III, Limited, Franklin Floating Rate Daily Access Fund (individually and as successor to Franklin Floating Rate Trust's interests in the credit facilities at issue), Franklin Floating Rate Master Series, Gabriel Capital, L.P., Gleneagles Trading LLC, GoldenTree 2004 Trust, GoldenTree Credit Opportunities Financing I, Ltd. (f/k/a GoldenTree Credit Opportunities), GoldenTree Credit Opportunities Financing II, Limited, GoldenTree Master Fund, Ltd. (f/k/a GoldenTree High Yield Master Fund, Ltd.), GoldenTree High Yield Opportunities I, L.P., GoldenTree High Yield Opportunities II, L.P., GoldenTree High Yield Value Master Fund, L.P., GoldenTree Loan Opportunities I, Ltd., GoldenTree Loan Opportunities II, Ltd., GoldenTree Master Fund II, Ltd. (f/k/a GoldenTree High Yield Master Fund II, Ltd.), GoldenTree Master Fund, Ltd., GoldenTree Master Fund, Ltd. (f/k/a

GoldenTree Master Fund), GoldenTree Multistrategy Financing, Ltd., GPC LVIII, LLC, Gracie Capital, L.P., Grand Central Asset Trust, SOLA Series, Granite Finance Limited, Grayson & Co., Greenwich International, Ltd., Greywolf Loan Participation LLC, GSC Recovery II, LP, GSC Recovery IIA, LP, Hamilton CDO Ltd., Hampton Funding LLC, Harbour Town Funding, LLC, The Hartford Floating Rate Fund, The Hartford Mutual Funds, Inc., High Income Opportunitites Portfolio, Highland Credit Opportunities CDO, Ltd., Highland Credit Strategies Master Fund, L.P., Highland Credit Strategies Fund, Highland Floating Rate Advantage Fund, Highland Floating Rate Advantage Fund (f/k/a Liberty-Stein Roe Advisor Floating Rate Advantage Fund), Highland Floating Rate Fund (f/k/a Highland Floating Rate Fund LLC), Highland Floating Rate Fund (f/k/a Highland Floating Rate LLC f/k/a Stein Roe Floating Rate Limited Liability Company), Highland Legacy Limited, Highland Loan Funding V Ltd, Highland Offshore Partners, LP, Illinois Municipal Retirement Fund, ING International (II) Senior Bank Loans Euro (includes ING International (II) - Senior Bank Loans USD due to a merger), ING Prime Rate Trust (f/k/a Pilgrim America Prime Rate Trust), ING Prime Rate Trust (f/k/a Pilgrim Prime Rate Trust), ING Senior Income Fund, ING Senior Income Fund (f/k/a ING Pilgrim Senior Income Fund), ING Senior Income Fund (f/k/a Pilgrim Senior Income Fund), J.H. Whitney Market Value Fund, L.P., Jackson National Life Insurance Company, Jissekikun Funding, Ltd., Jupiter Loan Funding LLC, Kaldi Funding LLC, Katonah I, Ltd., Katonah II, Ltd, Katonah III, Ltd., Kennett Capital, Inc., King Street Capital Management, Knight CBNA Loan Funding, KZH Highland-2 LLC, KZH Pamco LLC, Latigo Master Fund, Ltd., Lehman Brothers Holdings Inc., Lehman Commercial Paper Inc., Lehman Syndicated Loan Funding

Trust, Libertyview Funds, LP, LL Peachtree Funding LLC, Loan Funding IX LLC, Long Lane Master Trust II, Long Lane Master Trust IV, Longacre Capital Partners (QP), L.P., Longacre Master Fund Ltd., Longhorn CDO (Cayman) Ltd., Longhorn II CDO (Cayman) Ltd., Macquarie/First Trust Global Infrastructure Utilities Dividend & Income Fund, Magnetite Asset Investors III LLC, Magnetite Asset Investors LLC, Magnetite IV CLO, Limited, Mainstay Floating Rate Fund, Manufacturers and Traders Trust Company (successor-in-interest to Allfirst Bank, FMB Bank and The First National Bank of Maryland), Master Senior Floating Rate Trust, McDonnell Loan Opportunity Ltd., Merrill Lynch Debt Strategies Fund II, Inc., Merrill Lynch Global Investment Series: Income Strategies Portfolio, Merrill Lynch Senior Floating Rate Portfolio, MetLife Insurance Company of Connecticut (f/k/a The Travelers Insurance Company), ML CLO XV Pilgrim America (Cayman) Ltd., ML CLO XX Pilgrim America (Cayman) Ltd., Monarch Debt Recovery Master Fund Ltd. (f/k/a QDRF Master, Ltd.), Monarch Master Funding Ltd. (f/k/a Quadrangle Master Funding Ltd.), Monument Capital, Ltd., Morgan Stanley Emerging Markets Inc., Morgan Stanley Prime Income Trust, Morgan Stanley Prime Income Trust (f/k/a Morgan Stanley Dean Witter Prime Income Trust), Muirfield Trading, LLC, MW Post Portfolio Fund, Ltd., National Westminster Bank PLC, Natixis, New York Branch, Nautique Funding Ltd., Nemean CLO, Ltd., New Alliance Global CDO, Limited, New York Life Insurance and Annuity Corporation, New York Life Insurance Company, Nomura Bond & Loan Fund, Northwoods Capital II, Ltd., Northwoods Capital III, Ltd., Northwoods Capital, Ltd., Nuveen Floating Rate Income Fund, Nuveen Floating Rate Income Opportunity Fund, Nuveen Senior Income Fund, Oak Hill CLO Management I LLC, Oak Hill Credit Alpha Fund (Offshore), Ltd., Oak Hill Credit Alpha Fund, LP, Oak Hill Credit Partners I, Limited,

Oak Hill Securities Fund II, L.P., Oak Hill Securities Fund, L.P., Oak Mountain Limited, Oligra43, Olympic Funding Trust, Series 1999-1, One East Partners Master, L.P., Oryx CLO, Ltd., Owl Creek Asset Management, L.P., Oxford Strategic Income Fund, Pam Capital Funding LP, Pamco Cayman Ltd., Payden High Income Fund (f/k/a High Income Fund), Payden Opportunity Bond Fund (f/k/a The Total Return Fund), Perry Principals, LLC, Pilgrim America High Income Investments Ltd., Pilgrim CLO 1999-I Ltd., PIMCO Corporate Income Fund, PIMCO High Yield Fund, Pinehurst Trading, Inc., Pioneer Floating Rate Trust, Plainfield Special Situations Master Fund Limited, Post Distressed Master Fund, L.P. (f/k/a Post Distressed Fund, L.P. f/k/a Post Opportunity Fund, L.P.), Post Distressed Master Fund, L.P. (f/k/a Post Distressed Offshore Fund, Ltd. f/k/a MW Post Opportunity Offshore Fund, Ltd. And Post Opportunity Offshore Fund, Ltd.), Post Strategic Master Fund, L.P. (f/k/a Post Strategic Fund, L.P. f/k/a Post High Yield, L.P.), Post Strategic Master Fund, L.P. (f/k/a Post Strategic Fund II, L.P. f/k/a Post Balance Fund, L.P.), Post Total Return Master Fund, L.P., PPM Shadow Creek Funding LLC, PPM Spyglass Funding Trust, Principal Life Insurance Company, Prudential Insurance Company of America, Pyramis High Yield Bond Commingled Pool (f/k/a Fidelity High Yield Bond Collective Trust), Pyramis High Yield LLC (f/k/a Fidelity Institutional High Yield), Quantum Partners LLC, Race Point CLO Limited, Raintree Trading LLC, Raven Credit Opportunities Master Fund, Ltd., Redwood Master Fund, Ltd., Reliance Standard Life Insurance Company, Resolution Master Fund LP, Restoration Funding CLO, Ltd., Reynolds American Defined Benefit Master Trust, Reynolds American Defined Benefit Master Trust (f/k/a B&W Master Tobacco Fund), RiverSource Life Insurance Company (f/k/a IDS Life Insurance Company), Riviera Funding LLC, Rosemont CLO, Ltd., Royal Bank of Canada, Royalton Company,

Safety National Casualty Corp., Sandler Associates, Sandler Communications Offshore Fund, Inc. (now known as Sandler Offshore Fund, Inc.), Sankaty High Yield Asset Partners II, L.P., Sankaty High Yield Asset Partners III, L.P., Sankaty High Yield Asset Partners, L.P., Saratoga CLO I Ltd., Satellite Senior Income Fund II, LLC, Satellite Senior Income Fund LLC, Sawgrass Trading LLC, Scudder Floating Rate Fund (f/k/a Kemper Floating Rate Fund), Security Income Fund-Income Opportunity Series, SEI Institutional Investors Trust (SIIT), SEI Institutional Managed Trust (SIMT), Seminole Funding LLC, Seneca Capital, LP, Senior Debt Portfolio, Sequils - ING (HBDGM) Ltd., Sequils - Pilgrim I, Ltd., Sequils-Centurion V, Ltd., Sequils-Magnum, Ltd., Silver Oak Capital, LLC, Skandinaviska Enskilda Banken AB (publ), SOF Investments, L.P., SOL Loan Funding LLC, South Dakota Retirement System, SPCP Group LLC, Spectrum Investment Partners LP, SRF 2000, Inc., SRF Trading, Inc., SRI Fund, L.P., SRV-Highland, Inc., Stanfield CLO Ltd., Stanfield/RMF Transatlantic CDO Ltd., Stanwich Loan Funding LLC, Stephen Adams Living Trust, Strand Funding, Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Banking Corporation (f/k/a The Sumitomo Bank, Limited), Sun Life Assurance Company of Canada (U.S.), Successor by merger to Keyport Life Insurance Company, SunAmerica Life Insurance Company, T. Rowe Price High Yield Fund, T. Rowe Price Institutional High Yield Fund, The Opportunity Fund, LLC, The President & Fellows of Harvard College, The President & Fellows of Harvard College (Ref Harvard Special Situations Account), The Regents of the University of California, The Sumitomo Trust & Banking Co. Ltd., The Sumitomo Trust & Banking Co. Ltd., N.Y. Branch, Third Avenue Trust, Third Avenue Trust on behalf of the Third Avenue Value Fund Series, Thracia LLC, Transamerica Life Insurance Company, Transamerica Partners High Yield Bond Portfolio f/k/a Diversified Investors High Yield

Bond Portfolio, Trilogy Portfolio Company LLC, TRS Callisto LLC, TRS Elara LLC, TRS Plainfield LLC, TRS Thebe LLC, Tuscany CDO, Ltd., Tyler Trading, Inc., U.S. Bank National Association, U.S. Bank National Association, as successor to Firstar Bank, N.A, United of Omaha Life Insurance Co., University of Chicago, Van Kampen Senior Income Trust, Van Kampen Senior Loan Fund, Van Kampen Senior Loan Fund (f/k/a Van Kampen American Capital Prime Rate Trust), Van Kampen Senior Loan Fund (f/k/a Van Kampen Prime Rate Income Trust), Van Kampen Senior Loan Fund (f/k/a Van Kampen Senior Floating Rate Fund), Variable Insurance Products Fund V -- VIP Asset Manager Growth Portfolio, Variable Insurance Products Fund V -- VIP Asset Manager Portfolio, Variable Insurance Products Fund: High Income Portfolio, Venture CDO 2002, Limited, Wasatch CLO Ltd. (f/k/a Sequils-Liberty, Ltd.), Waterville Funding LLC, Whippoorwill Distressed Opportunity Fund, L.P., Whippoorwill Offshore Distressed Opportunity Fund, Ltd., Whitney Private Debt Fund, L.P., Winged Foot Fund Trust, York Capital Management, L.P. (the “Non-Agent Lenders”), and National City Bank (f/k/a National City Bank of Pennsylvania), Continental Casualty Company, Great American Insurance Company, Great American Life Insurance Company, Grand Central Asset Trust, HLD Series, Grand Central Asset Trust, SOH Series, TRS IO LLC (the “Additional Non-Agent Lenders”) (collectively, the “Parties”).

WHEREAS on July 6, 2003, the Official Committee of Unsecured Creditors of Adelphia Communications Corporation (“ACC”) and each of its direct and indirect subsidiaries that were, along with ACC, debtors (collectively, the “Debtors”) in the Chapter 11 Cases, with the consent of the Debtors, sought leave to commence the above-captioned action (the “Action”) and contemporaneously filed an adversary complaint (as amended, the “Complaint”) against the

Non-Agent Lenders, Additional Non-Agent Lenders, and another group of defendants referred to herein as the Bank Defendants.<sup>1</sup> (Adv. Pro. No. 03-04942-reg, Docket No. 1).

WHEREAS the Complaint asserted multiple bankruptcy claims (the “Bankruptcy Claims”) including claims for: (i) avoidance and recovery of intentionally or constructively fraudulent obligations and transfers under sections 544 and 548 of the Bankruptcy Code (Claims 1-16, 41-42); (ii) avoidance and recovery of voidable preferences under section 547 of the Bankruptcy Code (Claims 43-44, 49-52); (iii) equitable subordination or equitable disallowance under section 510 of the Bankruptcy Code (Claim 33); and (iv) recharacterization of debt as equity (Claims 34-35). (*Id.*).

WHEREAS, as set forth more completely in the First Modified Fifth Amended Chapter

---

<sup>1</sup> The Bank Defendants are ABN AMRO Bank, N.V., ABN AMRO Inc., Banc of America Securities LLC, Bank of America, N.A., Bank of Montreal, BMO Capital Markets Corp., BNY Mellon Capital Markets LLC (f/k/a BNY Capital Markets, Inc.), The Bank of New York Mellon (f/k/a The Bank of New York), The Bank of Nova Scotia, Barclays Bank PLC, Barclays Capital Inc., Crédit Agricole Corporate and Investment Bank (formerly known as Calyon and successor to Crédit Lyonnais) and Crédit Agricole Securities (USA) Inc. (formerly known as Calyon Securities (USA) Inc. and successor to Crédit Lyonnais Securities (USA) Inc.), CIBC Inc., CIBC World Markets Corp., Citibank, N.A., Citicorp USA, Inc., Citigroup Global Markets Holdings Inc. (f/k/a Salomon Smith Barney Holdings, Inc.), Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A., “Rabobank Nederland,” New York Branch, Cowen and Company, LLC (f/k/a Cowen & Co., LLC, f/k/a SG Cowen & Co., LLC, f/k/a SG Cowen Securities Company, LLC), Credit Suisse, New York Branch (f/k/a Credit Suisse First Boston, New York Branch), Credit Suisse Securities (USA), LLC (f/k/a Credit Suisse First Boston Corporation and Donaldson, Lufkin & Jenrette Securities Corporation), and Credit Suisse Capital Funding, Inc. (f/k/a DLJ Capital Funding, Inc.), Deutsche Bank Securities, Inc. (f/k/a Deutsche Banc Alex. Brown Inc.), Deutsche Bank Trust Company Americas (f/k/a Bankers Trust Company), Fleet National Bank, Fleet Securities Inc., JPMorgan Chase Bank, N.A., J.P. Morgan Securities, Inc., Merrill Lynch & Co., Inc., Merrill Lynch Capital Corp., Mizuho Corporate Bank, Ltd. (f/k/a The Fuji Bank, Limited, and including The Dai-Ichi Kangyo Bank, Limited, The Industrial Bank of Japan, Limited, IBJ Whitehall Funding 2001 Trust, Mizuho Global Limited, Mountain Capital CLO I, and Mountain Capital CLO II); Morgan Stanley & Co. Incorporated, Morgan Stanley Senior Funding, Inc., PNC Bank, NA, PNC Capital Markets LLC, The Royal Bank of Scotland plc, Scotia Capital (USA) Inc., Société Générale, SunTrust Bank, SunTrust Robinson Humphrey Inc. (f/k/a SunTrust Equitable Securities), TD Securities (USA) LLC (f/k/a TD Securities (USA) Inc.), Toronto Dominion (Texas) LLC (f/k/a Toronto Dominion (Texas), Inc.), Wells Fargo Bank, N.A., as successor to Wachovia Bank, National Association, and Wells Fargo Securities, LLC, as successor to Wachovia Capital Markets, LLC (individually and collectively the “Bank Defendants”).

11 Plan of Reorganization of Adelphia Communications Corporation and Certain Affiliated Debtors (the “Bankruptcy Plan”)(Case No. 02-41729-reg, Docket No. 12952), which was confirmed by the Bankruptcy Court on January 5, 2007, the Debtors’ rights and title to certain “Causes of Action” (as that term is defined in the Bankruptcy Plan), including the causes of action asserted in the Action, were transferred to the Trust to pursue the Causes of Action and administer the proceeds from the Causes of Action.

WHEREAS the Bankruptcy Claims were dismissed pursuant to Rule 12(b)(6) motions to dismiss. (Adv. Pro. No. 03-04942-reg, Docket No. 463). The Court entered a Rule 54(b) judgment as to the Bankruptcy Claims on October 24, 2008. (Case No. 1:05-cv-9050-reg, Docket No. 911).

WHEREAS, following the Trust’s appeal, the Second Circuit issued an order on May 26, 2010, affirming the dismissal of the Bankruptcy Claims. (Case No. 09-0039-cv). The Trust filed a timely petition for a writ of *certiorari* on October 22, 2010.<sup>2</sup> (*Id.*).

WHEREAS the Trust has (i) entered into a settlement agreement with the Bank Defendants (“the Bank Settlement Agreement”), a copy of which is annexed hereto as **Exhibit A**, and (ii) filed a Motion for an Order with respect to the Settlement Agreement with the Bank Defendants, a copy of which is annexed hereto as **Exhibit B**.

NOW, THEREFORE, it is hereby AGREED, by and among the Parties to the Agreement, through their respective attorneys, in consideration of the benefits flowing from the Agreement and the Bank Settlement Agreement, that the Adelphia Released Claims and Non-Agent Lender

---

<sup>2</sup> On July 29, 2010, and again on September 28, 2010, the United States Supreme Court granted the Trust an extension of time in which to file a petition for writ of *certiorari*.

Released Claims (both as defined below) shall be compromised, settled, released and dismissed, with prejudice and without costs, upon and subject to the following terms and conditions:

1. Upon the occurrence of the Bank Settlement Agreement Release Effective Date,<sup>3</sup> the Trust, and Adelphia, and to the extent legally empowered to do so, also for their respective present and former subsidiaries, parents, affiliates, insurers, controlled companies, agents, representatives, trustees, officers, directors, employees, principals, partners, members, predecessors, successors, assigns, transferees, heirs, executors, administrators and attorneys (collectively, the “Adelphia Releasors”), for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, fully, finally and forever release, relinquish, and discharge each of the Non-Agent Lenders and Additional Non-Agent Lenders, and its present and former subsidiaries, parents, affiliates, merged or dissolved entities, insurers, controlled companies, agents, representatives, trustees, officers, directors, employees, principals, partners, members, predecessors, successors, assigns, transferees, heirs, executors, administrators and attorneys, all solely in their capacities as such (collectively, the “Non-Agent Lender Releasees”) from any and all known or unknown claims that any Adelphia Releasor has, had, or may have against any or all of the Non-Agent Lenders and Additional Non-Agent Lenders, which claims or causes of action are based upon, relate to, or arise from or in connection with the Chapter 11 Cases, the Action, the Complaint, or the allegations therein, that have been, could have been, may be or could be filed or asserted by the Adelphia Releasors against any Non-Agent Lender Releasee (the “Adelphia Released Claims”); provided, however, that (a) the Adelphia Released Claims shall not include any defenses to the Non-Agent Lender Preserved Claims (as defined

---

<sup>3</sup> Unless otherwise defined herein, capitalized terms shall have the meaning set forth in the Bank Settlement Agreement.

below) arising out of or in connection with or relating to the JV Plan Litigation Indemnification Fund, or the JV Plan Bank Lender Post-Effective Date Fee Claims (collectively, the “JV LIF Litigation”) or the JV Plan Grid Interest (the “Grid Interest Litigation”) (the “Trust Preserved Defenses”) and (b) nothing herein shall constitute a release of any Non-Agent Lender’s or Additional Non-Agent Lender’s obligations under this Agreement. For the avoidance of any doubt, the Trust Preserved Defenses are *not* released, discharged or affected in any way as a result of this Agreement, and the Agreement shall not have any effect on any Adelphia-related litigation,<sup>4</sup> including any and all of the Trust’s claims against Goldman Sachs & Co., Key Bank, N.A., and HSBC Bank USA, N.A. that have been or will be asserted in the Action or in *Adelphia Recovery Trust v. Key Bank, N.A., et al.*, No. 1:099-cv-00215-RJA and related cases 1:07-cv-00553 RJA, 1:07-cv-00554 RJA, and 1:07-cv-000555 RJA (W.D.N.Y.).

**WITH RESPECT TO ANY AND ALL ADELPHIA RELEASED CLAIMS, THE ADELPHIA RELEASEORS AGREE THAT, UPON THE BANK SETTLEMENT AGREEMENT RELEASE EFFECTIVE DATE, THEY EXPRESSLY WAIVE THE PROVISIONS, RIGHTS AND BENEFITS OF CALIFORNIA CIVIL CODE § 1542 AND ANY PROVISIONS, RIGHTS AND BENEFITS CONFERRED BY ANY LAW OF ANY STATE OR TERRITORY OF THE UNITED STATES OR PRINCIPLE OF COMMON LAW WHICH IS SIMILAR, COMPARABLE OR EQUIVALENT TO CALIFORNIA CIVIL CODE § 1542, WHICH PROVIDES:**

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH**

---

<sup>4</sup> Adelphia-related litigation means the causes of action, against persons or entities other than the Non-Agent Lender Releasees, transferred to the Trust pursuant to the Bankruptcy Plan.

**IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.**

**THE ADELPHIA RELEASORS ACKNOWLEDGE THAT THEY MAY HEREAFTER DISCOVER FACTS IN ADDITION TO OR DIFFERENT FROM THOSE THAT THEY NOW KNOW OR BELIEVE TO BE TRUE WITH RESPECT TO THE SUBJECT MATTER OF THE ADELPHIA RELEASED CLAIMS, BUT THE ADELPHIA RELEASORS SHALL EXPRESSLY HAVE FULLY, FINALLY AND FOREVER SETTLED, RELEASED AND DISCHARGED ANY AND ALL ADELPHIA RELEASED CLAIMS, KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, CONTINGENT OR NON-CONTINGENT, WHETHER OR NOT CONCEALED OR HIDDEN, WHICH NOW EXIST, OR HERETOFORE HAVE EXISTED UPON ANY THEORY OF LAW OR EQUITY NOW EXISTING OR COMING INTO EXISTENCE IN THE FUTURE, INCLUDING, BUT NOT LIMITED TO, CONDUCT WHICH IS NEGLIGENT, RECKLESS, INTENTIONAL, WITH OR WITHOUT MALICE, OR A BREACH OF ANY DUTY, LAW OR RULE, WITHOUT REGARD TO THE SUBSEQUENT DISCOVERY OR EXISTENCE OF SUCH DIFFERENT OR ADDITIONAL FACTS.**

2. Upon the occurrence of the Bank Settlement Agreement Release Effective Date, the Non-Agent Lenders and Additional Non-Agent Lenders, to the extent legally empowered to do so, also for their respective present and former subsidiaries, parents, affiliates, merged or dissolved entities, insurers, controlled companies, agents, representatives, trustees, officers, directors, employees, principals, partners, members, predecessors, successors, assigns, transferees, heirs, executors, administrators and attorneys (collectively, the “Non-Agent Lender Releasors”), for good and valuable consideration, receipt and sufficiency of which are hereby

acknowledged, fully, finally, and forever release, relinquish, and discharge the Trust, Adelphia, and their respective present and former subsidiaries, parents, affiliates, insurers, controlled companies, agents, representatives, trustees, officers, directors, employees, principals, partners, members, predecessors, successors, assigns, transferees, heirs, executors, administrators and attorneys, all solely in their capacities as such, except for the Rigas Family (collectively, the “Adelphia Releasees”) from any and all known or unknown claims that any Non-Agent Lender Releasor has, had, or may have against the Trust or Adelphia, which claims or causes of action are based upon, relate to, or arise from or in connection with the Chapter 11 Cases, the Action, the Complaint, or the allegations therein, that have been, could have been, may be or could be filed or asserted by the Non-Agent Lender Releasors against the Adelphia Releasees; provided, however, that (a) the Non-Agent Lender Released Claims shall not include the JV LIF Litigation or the Grid Interest Litigation or any claims that the Non-Agent Lender Releasors may assert or have asserted against the Adelphia Victims Fund or the Adelphia SEC Fund (the “Non-Agent Lender Preserved Claims”) or any claim of a Non-Agent Lender or Additional Non-Agent Lender for distributions on account of Bank Claims held by it that were withheld pursuant to section 5.2(c)(v) of the Plan and sections 4.17(c)(i) and 4.22 (c)(i) of the JV Plan, and (b) nothing herein shall constitute a release of the Trust’s or Adelphia’s obligations under this Agreement. For the avoidance of any doubt, the Non-Agent Lender Preserved Claims are **not** released, discharged or affected in any way as a result of this Agreement. Notwithstanding anything contained herein to the contrary, the Non-Agent Lender Releasors are not releasing any claims that any of them may hold against the Adelphia Victims Fund or the Adelphia SEC Fund, and nothing contained herein shall be deemed to constitute or be construed as effectuating such a release of any claims of any Non-Agent Lender Releasor.

WITH RESPECT TO ANY AND ALL NON-AGENT LENDER RELEASED CLAIMS, THE NON-AGENT LENDER RELEASORS AGREE THAT, UPON THE RELEASE EFFECTIVE DATE, THE NON-AGENT LENDER RELEASORS EXPRESSLY WAIVE THE PROVISIONS, RIGHTS AND BENEFITS OF CALIFORNIA CIVIL CODE § 1542 AND ANY PROVISIONS, RIGHTS AND BENEFITS CONFERRED BY ANY LAW OF ANY STATE OR TERRITORY OF THE UNITED STATES OR PRINCIPLE OF COMMON LAW WHICH IS SIMILAR, COMPARABLE OR EQUIVALENT TO CALIFORNIA CIVIL CODE § 1542, WHICH PROVIDES:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

THE NON-AGENT LENDER RELEASORS ACKNOWLEDGE THAT THEY MAY HEREAFTER DISCOVER FACTS IN ADDITION TO OR DIFFERENT FROM THOSE THAT THEY NOW KNOW OR BELIEVE TO BE TRUE WITH RESPECT TO THE SUBJECT MATTER OF THE NON-AGENT LENDER RELEASED CLAIMS BUT THE NON-AGENT LENDER RELEASORS SHALL EXPRESSLY HAVE FULLY, FINALLY AND FOREVER SETTLED, RELEASED AND DISCHARGED ANY AND ALL NON-AGENT LENDER RELEASED CLAIMS, KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, CONTINGENT OR NON-CONTINGENT, WHETHER OR NOT CONCEALED OR HIDDEN, WHICH NOW EXIST, OR HERETOFORE HAVE EXISTED UPON ANY THEORY OF LAW OR EQUITY NOW EXISTING OR COMING INTO EXISTENCE IN THE FUTURE, INCLUDING, BUT NOT LIMITED TO, CONDUCT WHICH IS NEGLIGENT, RECKLESS, INTENTIONAL, WITH OR WITHOUT MALICE, OR A BREACH OF ANY DUTY,

**LAW OR RULE, WITHOUT REGARD TO THE SUBSEQUENT DISCOVERY OR  
EXISTENCE OF SUCH DIFFERENT OR ADDITIONAL FACTS.**

3. With respect to any Non-Agent Lender Preserved Claims relating to the JV LIF Litigation and the Grid Interest Litigation, the Trust waives any and all counterclaims, as well as any argument or defense (i) based on any allegations that were made by the Trust in the Action, or (ii) otherwise based on any assertion that, at any time before Adelphia filed for bankruptcy, any Non-Agent Lender Releasor engaged in willful misconduct or gross negligence in connection with any of the credit agreements described in any Complaint filed by the Trust in the Action. With the exception of the arguments or defenses set forth in clauses (i) and (ii), the Trust expressly reserves any other defenses (to the extent not already waived) with respect to any Non-Agent Lender Preserved Claims relating to the JV LIF Litigation and the Grid Interest Litigation (“Trust Preserved Defenses”), including without limitation any defense that, after Adelphia filed for bankruptcy, any Non-Agent Lender Releasor engaged in willful misconduct in connection with its submission of any JV Plan Bank Lender Post-Effective Date Fee Claims or any Non-Agent Lender Preserved Claims for JV Plan Grid Interest.

4. Within ten (10) business days after the Bank Settlement Agreement Release Effective Date, the Trust shall withdraw the petition for a writ of *certiorari* filed on October 22, 2010 with respect to the judgment entered by the United States Court of Appeals for the Second Circuit on May 26, 2010, and agree not to seek further review of that judgment.

5. The Trust represents and warrants to the Non-Agent Lenders and Additional Non-Agent Lenders as follows:

(a) The Trust, and anyone executing the Agreement on its behalf, has the requisite corporate, trust, estate or other power and authority to execute and deliver this

Agreement and to consummate the transactions contemplated by the Agreement. The execution and delivery of the Agreement and the consummation of the transactions contemplated by the Agreement by the Trust have been duly authorized by all necessary corporate, trust, estate or other action, and no other corporate, trust, estate or other action on the part of the Trust is necessary to approve the Agreement or to consummate the transactions by the Trust contemplated by this Agreement.

(b) The Trust is the sole and lawful owner of all right, title and interest in the Adelphia Released Claims. The Trust has not assigned, transferred or conveyed, in whole or in part, the Trust's right, title and interest in the Adelphia Released Claims to any Person. To the extent that, under the Bankruptcy Plan or the JV Plan, Adelphia, the Plan Administrator (as such term is defined in the Bankruptcy Plan), or any other Person other than the Trust has any right, title or interest of any kind in any of the Adelphia Released Claims, or the consent of any such Person is needed to provide the full benefits of this Agreement to the Non-Agent Lender Releasees, the Trust will take all necessary steps to obtain such Person's consent to the release of the Adelphia Released Claims and the other terms of this Agreement so that the Non-Agent Lender Releasees may obtain the full benefits of this Agreement.

(c) The Trust enters into this Agreement on its own volition after consulting with and upon the advice of its own counsel and after a full investigation of all facts.

6. Each of the Non-Agent Lenders and Additional Non-Agent Lenders, on behalf of itself and not on behalf of any other Non-Agent Lender or Additional Non-Agent Lender represents and warrants to the Trust as follows:

(a) It, and anyone executing the Agreement on its behalf, has the requisite corporate, partnership, or other power and authority to execute and deliver the Agreement and to

consummate the transactions contemplated by the Agreement. The execution and delivery of the Agreement by a Non-Agent Lender and the consummation by that Non-Agent Lender of the transactions contemplated by the Agreement have been duly authorized by all necessary corporate, partnership, or other action on the part of that Non-Agent Lender, and no other corporate, partnership, or other action on the part of that Non-Agent Lender is necessary to approve the Agreement or to consummate the transactions contemplated by the Agreement. The Agreement has been duly executed and delivered by each Non-Agent Lender entering into the Agreement and constitutes a valid and binding obligation on that Non-Agent Lender.

(b) It, on behalf of itself, is currently the sole and lawful owner of all right, title and interest in any and all Non-Agent Lender Released Claims asserted by the Non-Agent Lender, and has not assigned, transferred or conveyed, in whole or in part, any of its respective right, title or interest in said Non-Agent Lender Released Claims to any Person.

(c) It, on behalf of itself, enters into this Agreement on its own volition after consulting with and upon the advice of its own counsel and after a full investigation of all facts.

(d) It, on behalf of itself, is not aware of any contribution or indemnification claim it has against the Bank Defendant Releasees that arises from this agreement.

(e) It, on behalf of itself, agrees that it will not object to any motion to expunge a proof of claim in the Chapter 11 Cases to the extent that it asserts any claim other than a Non-Agent Lender Preserved Claim.

(f) It, on behalf of itself, agrees that, to the extent it is the holder of Bank Claims whose distributions were withheld pursuant to section 5.2(c)(v) of the Plan and sections 4.17(c)(i) and 4.22 (c)(i) of the JV Plan, it shall provide to the Plan Administrator a written request for payment coupled with: (i) evidence sufficient to demonstrate the claimant's

entitlement to payment; (ii) its representation that it has not transferred or assigned its right to the distribution to a third party; (iii) its agreement it will not transfer its right to its claim to a third party prior to receiving the distribution.

7. Notice to the Parties pursuant to this Agreement shall be delivered to the persons set forth in Exhibit C.

Dated: December 20, 2010

Respectfully submitted,

KASOWITZ, BENSON, TORRES  
& FRIEDMAN LLP

By:



David M. Friedman  
(dfriedman@kasowitz.com)  
Michael C. Harwood  
(mharwood@kasowitz.com)  
Howard W. Schub  
(hschub@kasowitz.com)  
1633 Broadway  
New York, New York 10019  
(212) 506-1700  
(212) 506-1800 (facsimile)

*Co-Counsel to the Adelphia Recovery  
Trust*<sup>5</sup>

JENNER & BLOCK LLP

By:

---

919 Third Avenue  
New York, New York 10022  
(212) 891-1600

Jerold S. Solovy  
(jsolovy@jenner.com)  
353 N. Clark Street  
Chicago, Illinois 60654-3456  
(312) 222-9350  
(312) 527-0484 (facsimile)

*Co-Counsel to the Adelphia Recovery  
Trust*<sup>6</sup>

---

<sup>5</sup> Counsel for Adelphia Recovery Trust as to all claims except for claims against defendants Amaranth Fund, L.P.; Avenue Special Situations Fund II, LP; Bear, Stearns & Co., Inc.; Bear Stearns Credit Products; Bear Stearns Investment Products; Cedarview Opportunities Master Fund; Contrarian Funds, LLC; Gabriel Capital LP; Hartford Floating Rate Fund; Latigo Master Fund, Ltd.; Longacre Capital Partners; Longacre Master Fund, Ltd.; MetLife Insurance Co. of Connecticut; New York Life Insurance Co.; New York Life Insurance and Annuity Corporation; Nomura Bond & Loan Fund; Royal Bank of Canada; SPCP Group; Satellite Senior Income Fund, LLC; and Satellite Senior Income Fund II, LLC.

<sup>6</sup> Counsel for Adelphia Recovery Trust as to all claims except for claims against defendants Lehman Brothers Holdings Inc.; Lehman Commercial Paper Inc.; Lehman Syndicated Loan

entitlement to payment; (ii) its representation that it has not transferred or assigned its right to the distribution to a third party; (iii) its agreement it will not transfer its right to its claim to a third party prior to receiving the distribution.

7. Notice to the Parties pursuant to this Agreement shall be delivered to the persons set forth in Exhibit C.

Dated: December \_\_\_, 2010

Respectfully submitted,

KASOWITZ, BENSON, TORRES  
& FRIEDMAN LLP

By:

---

David M. Friedman  
(dfriedman@kasowitz.com)  
Michael C. Harwood  
(mharwood@kasowitz.com)  
Howard W. Schub  
(hschub@kasowitz.com)  
1633 Broadway  
New York, New York 10019  
(212) 506-1700  
(212) 506-1800 (facsimile)

*Co-Counsel to the Adelphia Recovery  
Trust*<sup>5</sup>

JENNER & BLOCK LLP

By:

---

*Jerold S. Solov*  
919 Third Avenue  
New York, New York 10022  
(212) 891-1600

Jerold S. Solovy  
(jsolovy@jenner.com)  
353 N. Clark Street  
Chicago, Illinois 60654-3456  
(312) 222-9350  
(312) 527-0484 (facsimile)

*Co-Counsel to the Adelphia Recovery  
Trust*<sup>6</sup>

---

<sup>5</sup> Counsel for Adelphia Recovery Trust as to all claims except for claims against defendants Amaranth Fund, L.P.; Avenue Special Situations Fund II, LP; Bear, Stearns & Co., Inc.; Bear Stearns Credit Products; Bear Stearns Investment Products; Cedarview Opportunities Master Fund; Contrarian Funds, LLC; Gabriel Capital LP; Hartford Floating Rate Fund; Latigo Master Fund, Ltd.; Longacre Capital Partners; Longacre Master Fund, Ltd.; MetLife Insurance Co. of Connecticut; New York Life Insurance Co.; New York Life Insurance and Annuity Corporation; Nomura Bond & Loan Fund; Royal Bank of Canada; SPCP Group; Satellite Senior Income Fund, LLC; and Satellite Senior Income Fund II, LLC.

<sup>6</sup> Counsel for Adelphia Recovery Trust as to all claims except for claims against defendants Lehman Brothers Holdings Inc.; Lehman Commercial Paper Inc.; Lehman Syndicated Loan

Consented to and accepted by:

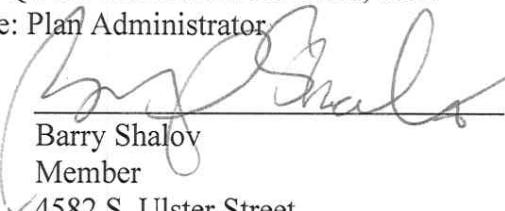
December 25, 2010

ADELPHIA COMMUNICATIONS CORPORATION

By: Qwest Turnaround Advisors, LLC

Title: Plan Administrator

By:

  
Barry Shalov

Member

4582 S. Ulster Street

Denver, CO 80237

(303) 268-6423

(914) 253-8103 (facsimile)

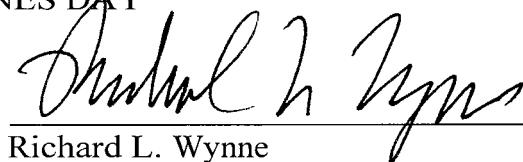
---

Funding Trust; Nuveen Floating Rate Income Fund; Nuveen Senior Income Fund; Nuveen Floating Rate Income Opportunity Fund; and National City Bank of Pennsylvania.

December 21, 2010

JONES DAY

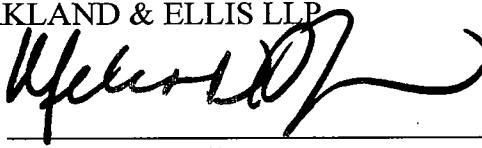
By:

  
Richard L. Wynne  
(rlwynne@jonesday.com)  
Bennett L. Spiegel  
(blspiegel@jonesday.com)  
Erin N. Brady  
(enbrady@jonesday.com)  
555 South Flower Street  
Los Angeles, California 90071  
(213) 489-3939  
(213) 243-2539 (facsimile)  
Todd R. Geremia  
(trgeremia@jonesday.com)  
222 East 41st Street  
New York, New York 10017  
(212) 326-3939  
(212) 755-7306 (facsimile)

*Counsel to the Non-Agent Lenders*

December 20, 2010

KIRKLAND & ELLIS LLP

By: 

Melissa D. Ingalls  
(melissa.ingalls@kirkland.com)  
Tammy A. Tsoumas  
(tammy.tsoumas@kirkland.com)  
333 South Hope Street  
Los Angeles, CA 90071  
(213) 680-8400  
(213) 680-8500 (facsimile)

*Counsel to the Additional Non-Agent Lenders*